

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

<b>Lina Dou, on behalf of herself</b>	)	
<b>and all others similarly situated,</b>	)	
<b>Plaintiffs,</b>	)	<b>No.: 1: 18-cv-07865</b>
	)	
<b>v.</b>	)	
	)	<b>Judge Hon. Kocoras</b>
<b>Carillon Tower/Chicago LP;</b>	)	<b>Magistrate Young Kim</b>
<b>Forefront EB-5 Fund (ICT) LLC;</b>	)	
<b>Symmetry Property Development II LLC;</b>	)	
<b>and Jeffrey L. Laytin</b>	)	
<b>Defendants.</b>	)	

**Plaintiffs' Combined Motion for Payment of (i) Discovery Sanctions, and  
(ii) Attorney Fees Owed under Settlement Agreement**

**[NO ORAL ARGUMENT REQUESTED]**

Plaintiffs move this Court to issue an order compelling the Defendants to pay two overdue accounts.

**1. Payment of Discovery Sanctions Under Docket #196**

On January 27, 2020, Magistrate Judge Kim issued a Minute Order imposing discovery sanctions on the Defendants, which said in relevant part:

Fourth, Defendants are also assessed \$1,000 fine, to be paid to Plaintiffs, for each week they are out of compliance with the court's November 7, 2019 order. The total amount of fine to be paid to Plaintiffs will be determined once Defendants have complied with this order. The court prefers that the parties work out the total fine amount and when the amount should be paid. However, if they cannot agree, the parties are to seek an order from this court as soon as possible. To date, from November 22, 2019, to today, Defendants have accrued \$9,428.57 (nine weeks and three days) in fines.

As of today (three and a half weeks from the order) the Defendants have not made any discovery production, and the current balance of sanctions is roughly \$13,000, of which the Defendants have paid only \$5000.

The Defendants are taking advantage of the fact that Judge Kim's Order has no final date - and no interim dates - by which the Defendants must provide discovery or pay fees. And strange as it may seem, they have a strategic reason to simply pay the \$1000/week sanctions rather than turn over materials that might cause them to lose the entire case if the facts were revealed.

The Plaintiffs cannot prosecute this case without basic discovery. This lawsuit is about \$49 million of Chinese money to build an apartment building that was supposed to be completed in 2017, but after 14 months of litigation, Defendants won't say where the money is. Of the \$49 million invested, \$44 million supposedly went into a loan, but Defendants have yet to produce the loan agreement (if it exists), and no shovel has hit the ground.

WHEREFORE, the Plaintiffs request this Court to order immediate payment of the current balance of the sanctions and to require weekly payments during noncompliance.

## **2. Attorney Fees Due Under the Ying Yao Settlement**

Before this case was transferred to Magistrate Judge Kim, there was a matter before Judge Kocoras, and it has now re-arisen.

By a Redemption Agreement dated January 31, 2019, the Defendants agreed to "promptly" refund \$562,500 to the former lead member of the Plaintiff class, named

Ying Yao. See Exhibit 1. Although payment was supposed to be “prompt,” the Defendants only paid \$72,500 and defaulted on the remaining \$490,000. Judge Kocoras granted Ms. Yao a judgment for this amount on July 12, 2019 and issued a citation to discover assets (ECF #155), which was scheduled to take place on October 1, 2019.

The night before the citation to discover assets, the Defendants sought out Ms. Yao and entered into an Addendum Agreement dated September 30, 2019, in which they paid her an extra \$10,000 to moot the citation process. The Defendants agreed to reschedule the payments to her while attorneys Glen Dunn and Douglas Litowitz would receive \$14,062.50 each. See Exhibit 2 at page 2.

Since that date, the Defendants have paid Ms. Yao several hundred thousand dollars *directly* without giving a cent to lawyers Glen Dunn and Douglas Litowitz. The payments are overdue.

The Defendants have a duty to comply with their own document and should make settlement payment to the client’s *lawyers*.

WHEREFORE, the Plaintiffs ask this Court to order the Defendants to make immediate payment to each of Plaintiffs’ counsel of \$14,062.50 in attorney fees due to them under the Addendum Agreement, with one year’s worth of interest under the Redemption Agreement signed one year ago, which comes to approximately \$15,000.00.

Dated: February 19, 2020

Respectfully submitted,

*/s/ Doug Litowitz*

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**Certificate of Service**

I certify that on the 19<sup>th</sup> day of February, I electronically filed this Request for Clarification with the Clerk of the Court using the CM/ECF system.

*/s/ Doug Litowitz*